



## Florida House of Representatives

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### House, Senate Reach Accord on Budget

TALLAHASSEE - The House and the Senate agreed to a \$57 billion budget this week that does not raise taxes, and includes more money for homeland security, a salary boost for those who are on the front line of the war on terror and includes a one month eight-cent tax reduction on the price of gasoline. In order to reach a compromise with the Senate on the budget, the House agreed to reduce the gas taxes scheduled for August from 10 cents a gallon to 8 cents a gallon.

For the first time in three years, the Legislature approved the popular back-to-school sales tax holiday, which will run July 24-August 1. It will apply to school supplies and clothing worth less than \$50. The House originally proposed the tax holiday for purchases up to \$100.

“Although not our first choice, these compromises on the gas tax and sales tax holiday were good resolutions to our differences with the Senate. It is a great day for Floridians,” said House Speaker Johnnie Byrd.

Law enforcement, fire and corrections officers, will receive five percent permanent pay raises effective January 1. All other state employees will receive \$1,000 bonuses.

The Legislature is committed to giving school districts the dollars necessary to provide our children with a quality education. This year’s budget increases K-12 total spending by \$1.026 billion dollars, a 7.3% increase over last year. Additionally, per student spending rose by \$268.56, or 4.89%. This is the 2nd highest per-student funding increase in 14 years.

The main contention in the budget was the “District Cost Differential” (DCD) which establishes a sort of cost-of-living adjustment between counties. Under a new funding formula supported by a recent University of Florida study, many smaller counties will receive more of an increase in funding than originally anticipated, while some urban counties will receive less of an increase.

Districts affected by the DCD will receive \$22 million to help soften the blow of any loss. In addition, some districts will have permission to divert local tax dollars to help with costs.

The state will spend about \$22 billion on health services programs. Programs like the Medically Needy program, which serves the extremely ill who don't have insurance, and prenatal care to about 7,000 women have been funded in the budget.

This year's budget continues to support needed advancement in public security by allocating \$37.5 million for homeland security projects, including increasing security in ports and for the upcoming Super Bowl in Jacksonville. When it comes to their safety and security, Floridians deserve nothing less.

Once approved, the budget goes to the governor, who can sign, veto or use line item veto on it, which allows him to strike only certain portions of the budget rather than killing the entire bill.

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